



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-274-809]

#### **Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with the Final Antidumping Duty Determination**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to the sole known producer/exporter of urea ammonium nitrate solutions (UAN) from the Republic of Trinidad and Tobago (Trinidad and Tobago) for the period of investigation (POI) January 1, 2020, through December 31, 2020.

Interested parties are invited to comment on this preliminary determination.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Ariela Garvett, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3609.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on July 26, 2021.<sup>1</sup> On August 24, 2021, Commerce postponed the preliminary determination of this investigation to November 29, 2021.<sup>2</sup> For a complete description of the

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<sup>1</sup> See *Urea Ammonium Nitrate Solutions from the Russian Federation and the Republic of Trinidad and Tobago: Initiation of Countervailing Duty Investigations*, 86 FR 40004 (July 26, 2021) (*Initiation Notice*).

<sup>2</sup> See *Urea Ammonium Nitrate Solutions from the Russian Federation and the Republic of Trinidad and Tobago: Postponement of Preliminary Determinations in the Countervailing Duty Investigations*, 86 FR 47296 (August 24, 2021).

events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.<sup>3</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Scope of the Investigation

The product covered by this investigation is UAN from Trinidad and Tobago. For a complete description of the scope of this investigation, *see* Appendix I.

### Scope Comments

In accordance with the preamble to Commerce's regulations,<sup>4</sup> the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).<sup>5</sup> No interested party commented on the scope of this investigation as it appeared in the *Initiation Notice*.

### Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce preliminarily determines that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>6</sup> For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.

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<sup>3</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Affirmative Determination in the Countervailing Duty Investigation of Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>4</sup> *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

<sup>5</sup> *See Initiation Notice*, 86 FR 40005.

<sup>6</sup> *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

## Alignment

As noted in the Preliminary Decision Memorandum, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), Commerce is aligning the final determination in this countervailing duty (CVD) investigation with the final determination in the companion antidumping duty (AD) investigation of UAN from Trinidad and Tobago based on a request made by the petitioner.<sup>7</sup> Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than April 11, 2022, unless postponed.

## All-Others Rate

Sections 703(d)(1)(A)(i) and 705(c)(5)(A) of the Act provide that in the preliminary determination, Commerce shall determine an estimated all-others rate for companies not individually examined. Pursuant to section 705(c)(5)(A)(i) of the Act, this rate shall normally be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act.

Commerce calculated an individual estimated countervailable subsidy rate for Methanol Holdings (Trinidad) Limited (MHTL), the only individually examined producer/exporter in this investigation. Because the only individually calculated rate is not zero, *de minimis*, or based entirely on facts otherwise available, the rate calculated for MHTL is the rate assigned to all other producers and exporters not individually examined in this investigation, pursuant to section 705(c)(5)(A)(i) of the Act.

## Preliminary Determination

Commerce preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate <i>ad valorem</i>
<sup>7</sup> See Petitioner's Letter, "Urea Ammoniate Solutions from the Republic of Trinidad and Tobago: Petitioner's Request to Align Final Countervailing Duty Determination with the Companion Antidumping Duty Final Determination," dated November 22, 2021. The petitioner is CF Industries Nitrogen, LLC and its subsidiaries, Methanol Holdings (Trinidad) Limited, Terra Nitrogen, Limited Partnership and Terra International (Oklahoma) LLC.	1.83 percent

All Others	1.83 percent
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### Suspension of Liquidation

In accordance with section 703(d)(1)(B) and (d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the rates indicated above.

### Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this preliminary determination within five days of its public announcement, or if there is no public announcement, within five days of the date of this notice in accordance with 19 CFR 351.224(b).

### Verification

As provided in section 782(i)(1) of the Act, Commerce intends to verify the information relied upon in making its final determination. Normally, Commerce verifies information using standard procedures, including an on-site examination of original accounting, financial, and sales documentation. However, due to current travel restrictions in response to the global COVID-19 pandemic, Commerce is unable to conduct on-site verification in this investigation.

Accordingly, we intend to verify the information relied upon in making the final determination through alternative means in lieu of an on-site verification.

### Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Interested parties will be notified of the timeline for the submission of case briefs and written comments at a later date. Rebuttal briefs, limited to issues

raised in case briefs, may be submitted no later than seven days after the deadline date for case briefs.<sup>8</sup> Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>9</sup> Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

#### International Trade Commission Notification

In accordance with section 703(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its determination. If Commerce's final determination is affirmative, the ITC will make its final injury determination before the later of 120 days after the date of this preliminary determination or 45 days after the final determination.

#### Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act, and 19 CFR 351.205(c).

Dated: November 29, 2021.

**Ryan Majerus,**  
*Deputy Assistant Secretary*

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<sup>8</sup> See 19 CFR 351.309; see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020) (*Temporary Rule*); and 19 CFR 351.303 (for general filing requirements).

<sup>9</sup> See *Temporary Rule*, 85 FR 17006; see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

*for Policy and Negotiations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.*

## **Appendix I**

### **Scope of the Investigation**

The merchandise covered by this investigation is all mixtures of urea and ammonium nitrate in aqueous or ammonia solution, regardless of nitrogen concentration by weight, and regardless of the presence of additives, such as corrosion inhibitors and soluble micro or macronutrients (UAN).

Subject merchandise includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, adding or removing additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the subject country.

The scope also includes UAN that is commingled with UAN from sources not subject to these investigations. Only the subject component of such commingled products is covered by the scope of these investigations.

The covered merchandise is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 3102.80.0000. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope is dispositive.

## **Appendix II**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Subsidies Valuation
- V. Benchmarks and Interest Rates
- VI. Analysis of Programs
- VII. Recommendation

[FR Doc. 2021-26314 Filed: 12/2/2021 8:45 am; Publication Date: 12/3/2021]